

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES

Before the Commissioner of the Office of Financial and Insurance Services

In the matter of:

Amit N. Parikh
1159 Colt Lane
South Lyon, MI 48178

Enforcement Case No. 07-5355

Respondent

Issued and entered,
on 30 Nov 2007
by Frances K. Wallace,
Chief Deputy Commissioner

CONSENT ORDER

I.
BACKGROUND

Mortgage 360, Inc. is a Michigan domiciled corporation, organized under the laws of the state of Michigan, that has made application for licensure as a mortgage broker and lender under the Mortgage Brokers, Lenders, and Servicers Licensing Act ("MBLSLA"), Act No. 173 of 1987, as amended, MCL 445.1651 *et seq.* Mortgage 360, Inc. also submitted an application for a mortgage broker and lender registration under Section 3(1) of the Secondary Mortgage Loan Act, 1981 P.A. 125, as amended, MCL 493.51 *et seq.* Amit N. Parikh ("Respondent") is the sole officer/director/shareholder of Mortgage 360, Inc. Respondent is not presently licensed by the Office of Financial and Insurance Services ("OFIS") pursuant to the MBLSLA or any other consumer finance statute regulated by OFIS. In reviewing Mortgage 360, Inc.'s application,

OFIS staff determined that Respondent was already conducting mortgage-related activities, which require licensure as a mortgage broker under the MBLSLA. Respondent and OFIS staff have conferred and have agreed to resolve this matter according to the terms set forth below.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Respondent was a loan officer/processor, mortgage trainee consultant, and mortgage consultant for Krislee Financial Corporation (Krislee Financial), a licensed and registered mortgage broker and lender in the state of Michigan, from November 1999 to January 2007.

2. Respondent provided OFIS staff with 1099 forms from Krislee Financial payable to Respondent for the years 2002, 2003, 2004, 2005, and 2006 showing compensation of \$67,560.13, \$35,485.72, \$47,343.04, \$25,997.79, and \$11,982.52, respectively.

3. In a letter to OFIS staff dated August 31, 2007, Respondent indicates that he originated approximately 75 residential mortgage loans for Krislee Financial. Respondent also contends that Krislee Financial compensated him on a commission basis only, and his income from Krislee Financial was reported to the Internal Revenue Service via a Form 1099.

4. Section 2(1) of the MBLSLA prohibits a person from acting as a mortgage broker, mortgage lender, or mortgage servicer without first obtaining a license or registration.

5. Section 2(3) of the MBLSLA prohibits a residential mortgage loan originator (also known as a loan officer) from receiving directly or indirectly any compensation, commission, fee, points, or other remuneration from a mortgage broker, mortgage lender, or mortgage servicer other than his/her employer.

6. Based on the forgoing, Respondent has conducted business as a loan originator without the requisite license or registration certificate required under Section 2 of the MBLSLA.

III. ORDER

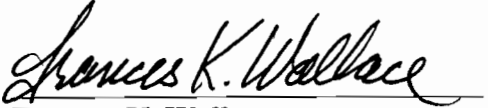
It is ORDERED that:

1. Respondent shall cease and desist violating Section 2 of the MBLSLA.
2. Respondent shall pay to OFIS an applicable civil penalty of \$1,000. The fine shall be paid within 30 days of the date of entry of this Order.
3. Respondent, as the sole officer/director/shareholder of Mortgage 360, Inc., shall establish and maintain a program to monitor and ensure compliance with all state and federal consumer laws and regulations relating to all mortgage activity conducted by Mortgage 360, Inc.
4. Respondent, as the sole officer/director/shareholder of Mortgage 360, Inc., shall educate himself and all employees of Mortgage 360, Inc. with respect to all state and federal consumer laws and regulations, including the MBLSLA.
5. Respondent shall review and ensure that Mortgage 360, Inc. complies with the OFIS Consumer Finance Bulletin No. 2003-09-CF, posted on the OFIS website, which clarifies OFIS's position on employees and branch offices in Michigan.
6. Respondent, as the sole officer/director/shareholder of Mortgage 360, Inc., shall immediately designate a compliance officer for Mortgage 360, Inc., and provide written notification to OFIS of the compliance officer's name and business address, to ensure that Mortgage 360, Inc. is in compliance with all applicable state and federal laws. Respondent's written notice designating a compliance officer shall accompany the payment of a civil fine as provided for in Paragraph 2 of this Order. Respondent, as the sole officer/director/shareholder of Mortgage 360, Inc., shall notify OFIS of any change in designation of the compliance officer within 30 days of such re-designation.

7. Respondent, as the sole officer/director/shareholder of Mortgage 360, Inc., shall not utilize independent contractors for mortgage loan origination unless they are: 1) licensed or registered under the MBLSLA; 2) exempted from the MBLSLA under Section 25; or 3) licensed as a class I licensee under the Consumer Financial Services Act.

The Chief Deputy Commissioner retains jurisdiction over the matters contained herein and has the authority to issue such further order(s) as she shall deem just, necessary, and appropriate in accordance with the provisions of the MBLSLA. Failure by Respondent and Mortgage 360, Inc. to abide by the terms and provisions of this Order may result in the commencement of additional proceedings.

Dated: 30 Nov 2007


Frances K. Wallace
Chief Deputy Commissioner